

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 403/TT/2014

Subject : Approval of transmission tariff from COD to 31.3.2019 for Gooty-Madhugiri 400 kV D/C line along with the associated bays & establishment of 400/220 kV sub-station at Madhugiri with 2X500 MVA transformers under "Transmission system associated with System Strengthening-XIII in Southern Regional Grid".

Date of Hearing : 6.10.2015.

Coram : Shri Gireesh B. Pradhan, Chairman
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member

Petitioner : Power Grid Corporation of India Limited (PGCIL)

Respondents : Karnataka Power Transmission Corporation Limited and 14 others

Parties present : Shri S.S. Raju, PGCIL
Shri Jasbir Singh, PGCIL
Shri A.K. Hisab, PGCIL
Shri S.K. Meena, PGCIL
Shri S.K. Venkatesan, PGCIL
Shri M.M. Mondal, PGCIL
Shri S. Vallinayagam, Advocate, TANGEDCO
Shri Jayprakash. R., TANGEDCO

Record of Proceedings

The representative of the petitioner submitted that:-

- a) The instant petition has been filed for determination of transmission tariff for transmission system associated with System Strengthening-XIII in Southern Region for tariff block 2014-19;



- b) As per Investment Approval (IA) dated 27.10.2011, the project is scheduled to be commissioned within 32 months from the date of IA i.e. 27.6.2014 against which the asset is anticipated to be put under commercial operation w.e.f 1.11.2015. Accordingly, there is an anticipated delay of 11 months in commissioning of the asset. The delay is mainly on account of RoW problem;
- c) The total estimated completion cost is ₹397360 lakh against the apportioned approved cost of ₹32964 lakh. Hence, there is a cost over-run in comparison to FR cost;
- d) AFC under Regulation 7(7) of 2014 Tariff regulations has been allowed vide order dated 24.12.2014. However, it has been withdrawn from the PoC computation as the asset has not been commissioned even after 6 months from the grant of tariff for inclusion in the PoC; and
- e) The date of commissioning letter, revised tariff forms, and auditor's certificate would be submitted shortly after commissioning of the instant asset.

2. In response to a query of the Commission, the representative of the petitioner clarified that there are three elements in this transmission system i.e. Gooty- Madhugiri 400 kV D/C line, extension of 400/220 kV Sub-station at Gooty and extension of Sub-station at Kohlapur. These are coming in parts and investment approval is for entire system. Madhugiri-Antharasanahalli 220 kV line is in commissioning stage and the issue of commissioning of Gooty-Madhugiri D/C line was discussed in 27th SRPC meeting held on 12.5.2015 where all the constituents were present. It was agreed that Gooty-Madhugiri line alongwith Madhugiri PSV can be put under commercial operation without linking with the downstream system. He also submitted that after commissioning of the asset, they would file all the details including the RPC approval and reasons of delay.

3. The learned counsel of TANGEDCO submitted that all documents filed by the petitioner should be as per the 2014 Tariff Regulations.

4. The Commission directed the petitioner to submit the details of time over-run, RPC approval and Auditor's certificate and the following information on affidavit within 15 days of actual commissioning of the asset with a copy to all the respondents. The Commission further directed the respondents to submit their reply within two weeks thereafter and the petitioner to file rejoinder, if any, within 10 days.

- a) Status of 220 kV lines Madhugiri-Antharasanahalli, Madhugiri-Nittur & Madhugiri-Madhugiri-II;



- b) COD letter as per actual COD and Auditor certificates along with all Tariff Forms;
- c) Form 5B - mentioning all individual assets covered under the scope of System Strengthening-XIII in Southern Regional Grid including those assets claimed in the instant petition by clearly mentioning the relevant Petition Nos. against respective assets. Ensure that in the sum total of apportioned approved cost of individual assets tallying with the estimated project cost as specified in Investment approval. In case of the assets which are yet to be commissioned, show the petition No as "Yet to be Commissioned";
- d) Form-4A (Statement of Capital Cost), indicate the liability included in the Gross Block;
- e) Details of un-discharge liability as on COD corresponding to the elements and year wise discharge of liabilities by payment and by reversal duly certified by the Auditor;
- f) Form 12 B, duly filled all column for all quarters. Also provide the computation of interest during construction for the asset from the date of infusion of debt fund up to scheduled COD and from scheduled COD to actual date of commercial operation as per Regulation 11 (A) (1) of 2014 Tariff Regulation;
- g) For IBRD-IV loan, provide the details of loan in foreign currency and exchange rate as on date of drawal and as on COD. Documentary proof for interest rate and repayment schedule;
- h) Whether entire amount pertaining to initial spares has been discharged as on COD? If not, submit the year wise details of liability discharged and un-discharged w.r.t. initial spare;
- i) Form 7 (statement of additional capital expenditure after COD), by clearly indicating the Regulation No. under which the additional capital expenditure is claimed. (e.g. 14 (1) (i), 14(1)(ii), ...);
- j) Form 15 (actual cash expenditure), by clearly showing the quarter wise payment to contractors/suppliers and% of fund deployment;
- k) Form 14 (other income as on COD);
- l) Whether any of the assets de-capitalized / asset has been unused due to commissioning of the assets covered in the instant petition. If yes, provide the details like date of de-cap/asset not put to use, gross block, cumulative depreciation till the date of de-capitalization;
- m) RLDC certificate for charging of instant assets; and



n) CEA certificate under Regulation 43 of CEA (Measures Related to safety & Electricity Supply) Regulations, 2010.

5. The petitioner is also directed to submit editable soft copy (excel format) of all the tariff forms, editable soft copy in excel format with links of computation of interest during construction and petition soft copy (in .doc format) by 15.11.2015.

6. The Commission directed the parties to file the information within the due date mentioned above. In case no information is filed within the timeline specified, the matter shall be disposed on the basis of the available records.

By order of the Commission

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(T. Rout)
Chief (Law)

